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cc: Tom



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Monticello Field Office
P.O. Box 7
Monticello, Utah 84535
<http://www.blm.gov/utah/monticello>



IN REPLY REFER TO:
(UTY-020)
UTU- 74631

CERTIFIED MAIL- RETURN RECEIPT REQUESTED
CERTIFICATE NO.: 7010 3090 0002 2800 8628

FEB 27 2012

Christy Woodward, PE
Environmental Coordinator
Denison Mines (USA) Corp.
1050 17th Street, Suite 950
Denver, CO 80265

RECEIVED

FEB 29 2012

DIV. OF OIL, GAS & MINING

Subject: Incomplete Plan of Operations Modification, UTU-74631, Denison Mines (USA) Corp., Daneros Mine, Bullseye Canyon, San Juan County, Utah

Dear Ms. Woodward:

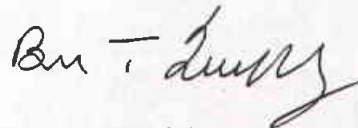
The proposed modification of the Daneros Mine Plan of Operations (plan modification) was received in this office on February 06, 2012. The Bureau of Land Management (BLM) has reviewed the plan modification to determine if it meets the content requirements at 43 CFR 3809.401(b). Based on our review, the following information is required and/or further clarification of information is needed in order for the plan modification to be complete:

1. Section 2.4 – Other authorizations that may be required include: State of Utah water well permit; San Juan County encroachment permit; San Juan County building permit, including authorization for septic system from Southeast Utah Public Health Department.
2. Section 3.1.1 – If use of the old Spook Portal for ventilation or other purposes is reasonably foreseeable, then it should be included in the plan modification.
3. Section 3.1.2 – Describe haul roads between mine portals and DRAs. Also, clarify if County Road B258 (Radium King) would be utilized for hauling ore and development rock the ¼ mile distance from the south portal to the DRA and ore stockpiles at the south site or, if a secondary road should be considered for safe transport of mine equipment.

4. Section 3.1.5 – Need to specify the number and size of culvert(s) at the two drainage crossings in the main channel at the Bullseye Portal area. Culvert(s) should be sized for the 100-year/24 hour storm event.
5. Section 3.2 – Insert scaled diagram or photograph of typical surface fan/diffuser configuration. Provide information on noise level (decibels) that can be expected from operating surface fan. Also, in planning access to future vent hole locations, existing old roads should be used to the extent practicable.
6. Section 3.3 – Table 3-5 and corresponding maps need to show the area(s) of historic surface disturbance.
7. Section 3.9.1 – County Road D0029 is currently truncated at the Daneros site so that route, in its current condition, does not provide access to the existing and future vent hole locations. County Road D5319 bypasses the mine and connects with CR D0029 beyond the mine. This route is the most logical access to the general vent hole area for drilling and maintenance operations during the 20-year mine life. The plan modification should identify this road(s) for access to the vent hole area and describe the current road condition, improvements needed and future road maintenance activities.
8. Section 4.1 – Clarify the planned source of fill material for the vent holes. Since there will be no waste rock stockpiled at the vent hole surface locations, will waste rock be hauled from the DRAs back up to each of the vent hole sites (including potential vent holes on the mesa top) to fill the vent holes? or, is an alternative method of closure more likely?

Please provide a response to the above information requests at your earliest convenience. If you have questions concerning our review of your plan modification, please contact Ted McDougall of my staff at 435-587-1512.

Sincerely,

 **ACTING**

Thomas Heinlein
Field Office Manager

cc:

Tom Munson, Division of Oil, Gas and Mining
Kelly Shumway, Reliance Resources, LLC